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SENATE BILL 1542 By
Dixon

HOUSE BILL 1006
By DeBerry J

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 3,
Part 18, relative to managed health care.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 4, Chapter 3, Part 18, is
amended by adding the following as a new, appropriately designated section:

- (a) In the interest of a more economical, efficient and effective state service, on January 1, 2002, there is hereby created within the department of health a separate administrative division, to be known as the division of managed care. The division shall develop, implement, coordinate, monitor, examine and otherwise administer all managed care policies, programs, projects, and contracts through which medical, mental health, and/or drug and alcohol treatment services are provided by, or funded through, state government. The division of managed care shall be under the charge and general supervision of the assistant commissioner of managed care.
- (b) Effective July 1, 2001 there is created a transition committee on managed care. The transition committee shall consist of the commissioner of finance

and administration, the commissioner of health and the comptroller of the treasury. In the interest of a more economical, efficient and effective state service, it shall be the duty of the transition committee to identify all existing fiscal, personnel and other resources utilized exclusively or primarily by departments of state government to develop, implement, coordinate, monitor, examine and/or otherwise administer managed care policies, programs, projects, and contracts. On or before December 1, 2001, the transition committee shall report its findings as well as its recommendations for transfer and consolidation of such resources within the division of managed care. Such report of findings and recommendations shall be timely filed with the governor and the general assembly, at which time the committee shall cease to exist.

- (c) In the interest of a more economical, efficient and effective state service, by means of an executive order as authorized by Tennessee Code Annotated, § 4-4-102, the governor shall timely implement the transfer and consolidation recommendations of the transition committee. The governor shall also submit such legislation to the one hundred first general assembly as may be needed to amend Tennessee Code Annotated to reflect transfers effectuated by such executive order.

SECTION 2. This act shall take effect on becoming a law, the public welfare requiring it.